

Message Text

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ACTION AF-07

INFO OCT-01 EUR-08 ISO-00 SAJ-01 INT-05 FEAE-00 SCI-02

AGR-05 SWF-01 COA-01 DLOS-03 HEW-02 DOTE-00 NEA-06

CIAE-00 DODE-00 PM-03 H-01 INR-05 L-01 NSAE-00 NSC-05

PA-01 RSC-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

COME-00 EB-04 FRB-01 TRSE-00 XMB-02 OPIC-06 CIEP-01

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FM AMEMBASSY CONAKRY

TO SECSTATE WASHDC 0190

INFO AMEMBASSY BUCHAREST

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E.O. 11652: N/A

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SUBJECT : ROMANIAN-GUINEAN COOPERATION

REFERENCE : CONAKRY 398

1. FROM DISCUSSIONS WITH ROMANIAN AMBASSADOR GEORGESCU IT HAS BEEN LEARNED THAT VISIT OF GUINEAN MINISTERIAL DELEGATION TO BUCHAREST IN SEPTEMBER FOCUSED ON ROMANIAN-GUINEAN COOPERATION ALONG LINES DISCUSSED BELOW AND WITH RESULTS INDICATED:

A. BAUXITE MINING COMPLEX. ROMANIANS CONFIRMED AGREEMENT TO FORM JOINT COMPANY TO PARTICIPATE BY STAGES FIRST IN MINING OF BAUXITE DEPOSIT NEAR BOKE TO BE FOLLOWED LATER BY BUILDING OF ALUMINA PLANT, THEN ALUMINUM PLANT AND EVENTUALLY FACTORY FOR MAKING ALUMINUM PRODUCTS. ROMANIANS WOULD BE PREPARED PARTICIPATE IN DAM TO PRODUCE HYDRO-ELECTRIC POWER FOR ALUMINUM PLANT AT LATER STAGE. EXACT PERIMETERS OF CONCESSION AREA NOT YET

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DETERMINED NOR HAVE PRODUCTION FIGURES BEEN FIXED. ROMANIAN

TEAM WILL COME TO GUINEA BEFORE END 1974 TO SIGN NECESSARY AGREEMENTS TO BE FOLLOWED BY TEAM OF EXPERTS FOR IMPLEMENTATION.

B. AGRICULTURE. ROMANIA AGREED TO SEND A MISSION TO GUINEA EARLY IN 1975 TO SELECT A SUITABLE AREA OF ABOUT 20,000 HECTARES ON WHICH A JOINT GUINEAN-ROMANIAN COMPANY WILL PRODUCE COTTON AND CORN. THIS PROJECT REQUIRED CONSIDERABLE DISCUSSION SINCE THE GUINEANS FIRST OFFERED VIRGIN TERRITORY WHICH WOULD HAVE REQUIRED THE INVESTMENT OF A GREAT DEAL OF TIME AND MONEY BEFORE IT COULD BE USED FOR AGRICULTURAL PRODUCTION. THE GUINEANS FINALLY ACCEPTED THE ROMANINN VIEW THAT A MORE SUITABLE AREA WOULD HAVE TO BE SELECTED FOR THE PROJECT TO BE CARRIED OUT ON A SOUND, ECONOMIC BASIS BY A JOINT COMPANY.

C. FISHING. GUINEANS REQUESTED ESTABLISHMENT OF A JOINT GUINEAN-ROMANIAN FISHING COMPANY TO PROVIDE FISH FOR LOCAL GUINEAN CONSUMPTION AND ALSO FOR EXPORT. GUINEANS INDICATED THEY WANTED THE JOINT COMPANY TO BUILD A FISH PROCESSING PLANT IN CONAKRY SO THAT THE ENTIRE CATCH WOULD BE BROUGHT ASHORE FOR PROCESSING. ROMANIANS DECLINED ENTER INTO SUCH A COMPANY UNTIL ADEQUATE RESEARCH MADE OF NUMBER AND VARIETY OF FISH IN GUINEAN WATERS. IT WAS AGREED THAT ROMANIANS WOULD SEND A WELL-EQUIPPED FISHING BOAT IN NEXT FEW MONTHS TO GUINEAN WATERS TO CONDUCT ONE-YEAR RESEARCH STUDY, FINDINGS OF WHICH WILL DETERMINE FUTURE ACTION.

D. PLASTICS FACTORY. AT GUINEAN REQUEST, ROMANIANS AGREED TO SEND TEAM OF EXPERTS TO EXAMINE EXISTING BUT INOPERATIVE CONAKRY FACTORY FOR PRODUCING PLASTIC SMALL CONSUMER ITEMS AND DETERMINE TO WHAT EXTENT IT CAN BE REHABILITATED AND IMPROVED WITH ROMANIAN ASSISTANCE.

E. PUBLIC HEALTH. GUINEANS REQUESTED ROMANIANS ACCEPT ABOUT 100 GUINEANS FOR FREE MEDICAL TREATMENT IN ROMANIA OF ILLNESSES WHICH CANNOT BE ADEQUATELY HANDLED IN GUINEA. ROMANIANS AGREED TO ACCEPT TWENTY CASES PER YEAR.

F. STEEL FACTORY. GUINEANS REQUESTED ROMANIANS TO BUILD IN CONAKRY AREA A SMALL STEEL FACTORY WHICH WOULD PROCESS IRON ORE FROM NEARBY KALOUM MINES. HOWEVER, STUDIES BY ROMANIAN EXPERTS SHOW IRON CONTENT OF THE ORE NOT RICH ENOUGH TO JUSTIFY THE ESTABLISHMENT OF A FACTORY BASED ON KALOUM MINES ALONE. BUILDING OF STEEL FACTORY WILL THEREFORE BE POSTPONED UNTIL GUINEANS CAN ARRANGE TO DELIVER MT NIMBA IRON ORE TO CONAKRY. THIS WILL DEPEND ON COMPLETION OF THE TRANS-GUINEAN RAILROAD, LIMITED OFFICIAL USE

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THUS LITTLE ACTION EXPECTED ON THIS PROJECT UNTIL 1980'S.

2. GEORGESCU REMARKED THAT GUINEAN REQUESTS, INVARIABLY PRESENTED ON BASIS OF SPECIAL FRIENDSHIP, TENDED TO BE UNREASONABLE, UNREALISTIC AND NOT VERY WELL THOUGH OUT. ROMANIANS TOOK OCCASION TO POINT OUT THAT WHILE AID IS PROVIDED FOR A WIDE VARIETY OF REASONS AND MAY NOT NECESSARILY BE ECONOMICALLY JUSTIFIED, COOPERATION OR JOINT ENTERPRISES MUST ALWAYS BE

BASED ON WELL-ESTABLISHED ECONOMIC FEASIBILITY AND SOUND FINANCIAL GROUNDS. GUINEANS FINALLY APPEARED RELUCTANTLY TO BE UNDERSTANDING AND ACCEPTING THIS DIFFERENCE.

3. COMMENT: CONCLUSION DRAWN FROM GEORGESCU'S REMARKS IS THAT ROMANIA IS WILLING HELP GUINEA BUT WILL NOT GO INTO ANY JOINT VENTURES UNLESS THEY ARE ECONOMICALLY SOUND AND OF CLEAR BENEFIT TO ROMANIA. THUS ROMANIANS APPEAR TO BE SERIOUS ABOUT GETTING STARTED ON TWO PROJECTS SOONEST. ONE IS COTTON PRODUCTION. ROMANIAN OFFICIALS TOLD ME IN BUCHAREST LAST AUGUST THAT ROMANIA NEEDS COTTON AND DOES NOT HAVE LAND OR CLIMATIC CONDITIONS APPROPRIATE FOR GROWING IT. ROMANIA THEREFORE PLEASED TO UTILIZE LAND MADE AVAILABLE BY OTHERS IN ORDER TO MEET ITS NEEDS FOR COTTON AND IS PREPARED TO SHARE PRODUCTION ACCORDINGLY. ROMANIANS UNDOUBTEDLY ALSO INTERESTED IN MINING AND EXPORTING BAUXITE. THEY ARE PLEASED TO HAVE OBTAINED CONCESSION IN BOKE AREA WHERE THE ORE CONTENT OF THE BAUXITE RUNS AS HIGH AS 60 - 65 PERCENT. GUINEANS HAVE ALREADY CONTACTED KUWAITIS AND SAUDIS FOR POSSIBLE INVESTMENT IN ENLARGING KAMSAR PORT AND BUILDING ALUMINA PLANT IN BOKE AREA AND BUILDING MAJOR DAM FOR HYDROELECTRIC POWER. THESE ACTIVITIES ALL MAY BE LINKED TO ROMANIAN PROJECTS. ROMANIANS UNDERSTANDABLY CAUTIOUS ON FISHING PROJECT. THEY ARE AWARE THAT SEVERAL COMPANIES OR COUNTRIES ALREADY FISHING IN GUINEAN WATERS AND THAT THERE MIGHT BE LITTLE FOR ROMANIANS TO EXPLOIT ON COMMERCIALLY SOUND BASIS. THEY KNOW ALSO THAT GUINEANS HAVE REQUESTED AN AMERICAN COMPANY, AMONG OTHERS, TO UNDERTAKE A FISHING PROJECT SIMILAR TO THAT PRESENTED TO THEM. PROBABLE, THEREFORE, THAT ROMANIAN REQUEST FOR ONE-YEAR STUDY IS PARTLY A DELAYING TACTIC TO OBSERVE DEVELOPMENTS BEFORE DECIDING TO MAKE ANY SIZEABLE INVESTMENT IN THIS AREA. BENEFICIAL ASPECT OF ROMANIAN APPROACH IS THAT IT BASED ON HARD-HEADED, PRACTICAL ECONOMIC REALITY WHICH SHOULD HELP GET GUINEANS TO SEE HOW THE REAL WORLD LIMITED OFFICIAL USE

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OPERATES.
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Message Attributes

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